

PRESS & GUIDE

Hello, Hollywood!

Film studio could be headed for Allen Park

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PUBLISHED: January 11, 2009

ALLEN PARK/DEARBORN/DEARBORN HEIGHTS - Dearborn Mayor Jack O'Reilly on Thursday said he recently took the deputy director of the Michigan Film Commission on a guided tour of Dearborn as a way for the deputy director to gauge the possibility of housing a movie studio in Dearborn.

"(The Michigan Film Commission) has strong interest in southeast Michigan," O'Reilly said. "They want to have studios in a number of areas in the state, including the Grand Rapids area and Traverse City.

"The city of Dearborn has been proactive in the area of attracting filmmakers. We were the first community in the state to change an ordinance allowing filmmakers to shoot on public property without getting permission from the city. They just have to go to the police department."

Allen Park working with film executive

That tour comes around the same time city officials in Allen Park are in discussions with a Hollywood film executive who has plans to build a \$100 million production studio there.

The unnamed executive has ties to Michigan, city officials said.

Allen Park Mayor Gary Burtka said if the deal goes through, a "very large studio" would be built on just over 115 acres at Southfield Road and Enterprise Drive.

The site includes Allen Park City Hall, 16850 Southfield, and an as-yet unfinished municipal complex at 8301 Enterprise Drive.

In addition to the studio, other commercial, retail and residential development would be built on the site, officials said.

"The City Hall project will go forward if and when this deal is settled," Burtka said.

City Administrator Eric Waidelich said the studio project has been the reason for delays with the proposed municipal complex.

"This project is the reason why we put the municipal site on hold," he said. "Within these 115-plus acres, the city is still looking to build the new facility."

A memorandum of understanding between the city and Danou Enterprises for the Enterprise Drive property has lapsed.

Waidelich said a separate agreement with the real estate consulting firm Corporate Real Estate Service Advisor — a division of Plante Moran the city contracted with to evaluate the building — still will be used, but in a different fashion

Some of the land is owned by the Allen Park and some is owned by businessman Sam Danou.

Danou also owns the Detroit International Auto Salon building, 16630 Southfield, which shares space with Roush Industries. Both companies lease space, and representatives of both said yesterday that they were not aware of any pending sale of the land.

Danou did not return calls seeking comment for this report.

Burtka said that if the studio development comes to fruition, it could create more than 3,500 full-time jobs, a majority of which would be in skilled trades.

Allen Park officials said laid-off factory workers would be given preference for many of the positions.

"If this project goes forward, it will be a major economic coup," Burtka said.

Heights mayor sees benefits to his city

Dearborn Heights Mayor Dan Paletko agreed. The proposed studio would sit just across the Southfield Freeway-I-94 interchange from the city's southern border.

"While I wish it was in Dearborn Heights, it will be a blessing for the surrounding area," Paletko said. "Anything that helps one of our communities helps all of us."

Paletko said he met with Burtka last month and the Allen Park mayor assured him that the studio would be hiring local residents for work.

"I think that's good news for the surrounding community," he said. "This project is going to create a lot of new jobs.

O'Reilly said he believes the Allen Park film project is speculative right now, but that the studio would require a building with high ceilings and no columns. Currently, O'Reilly said, there is no such facility in Dearborn.

O'Reilly added that he knows of two types of studios: proprietary, which a company like Warner Bros. owns and operates, and there are other types of studios that can be leased out to prospective filmmakers. The Dearborn mayor also said the Michigan Film Commission is working on direct marketing of the area to promote it to filmmakers.

Spinoff businesses from the studio complex could include suppliers, vendors and many more.

Burtka said the council and the administration have done "everything we possibly can" to make the deal happen.

"I must commend Wayne County Executive Bob Ficano and his economic development team for partnering with us on this project early on," Burtka said. "The county has played a very critical role in trying to attract this studio to our community. The state, the (Michigan Economic Development Corp.) and the Michigan Film Office has also shown great support."

The facility would be a multi-studio complex that would be built from the ground up. Current facilities on the land likely would be demolished.

The site could include indoor and outdoor sets, production facilities, technical support, a training center and more.

While Dearborn Heights lacks the necessary acreage to support such a facility, Paletko said he plans to do whatever is necessary to encourage new businesses to come to the city while helping existing businesses grow.

"We're looking to keep the businesses we have while we encourage them to expand their operations," he said. "But we'd bend over backward for a movie studio — its very presence creates great economic synergy for local businesses."

O'Reilly echoed Paletko's sentiments.

"I'm not parochial," the Dearborn mayor said. "If someone wants to put a studio in Allen Park, Dearborn is right in the area and if the studio is so close, it would be great for the city because we know that when people come here to shoot films, they have to have places to stay, eat, shop, etc."

"We have premium hotels, restaurants and (Fairlane Town Center). Added to that, we're extremely close to Detroit Metropolitan Airport, and (Dearborn) is an attractive destination. So I'm hopeful this happens. It's a great opportunity to bring more spending to the area."

Investors for the studios represent several film and media groups that would use the facilities.

"City residents deserve to know this project is a possibility," Burtka said. "It may not happen, but we want to make sure people understand that the person who came to us with the proposal is serious and we are working with many parties to try to close the deal."

In April, Gov. Jennifer Granholm signed a 14-bill legislative package intended to build the film industry in the state.

Michigan's film program offers incentives for film and digital media production, infrastructure development, financing and work force development with an emphasis on hiring Michigan workers and filming in Michigan.

The package gives a 25 percent tax credit to companies investing in new film and digital media studios.

There also is a film production credit, which is a refundable tax credit of 40 percent of the amount of a production company's expenditures in the state.

An additional 2 percent credit is available for work done in certain communities.

The site also could be eligible for various other programs such as Brownfield redevelopment, special development zoning or various other state-funded grants.

"If or when we finalize this deal, we will be in the position to provide all of the details to the public," Burtka said. "Until then, we respectfully ask people to wish us luck in bringing to our city, county and state a new industry, and very significant business and job provider."